COOK, YANCEY, KING & GALLOWAY

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When calling relative to this matter, refer to file No.1009.

Honorable Philip N. Asprodites Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, Louisiana 70804-9275

RE: Bodcaw Sand Vaughn Sand

Davis Sand, Reservoir A, of the Cotton Valley Formation

Calhoun Field

Ouachita Parish, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

Ocean Energy, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Bodcaw Sand, the Vaughn Sand and the Davis Sand, Reservoir A, of the Cotton Valley Formation in the Calhoun Field, Lincoln and Ouachita Parishes, Louisiana:

- To authorize Ocean Energy, Inc. to designate and utilize its Calk No. 1 Well as an alternate unit well at an exceptional location for BOD SUE and VGN SUA as shown on the plats attached hereto and made a part hereof;
- To establish that the proposed alternate unit wells are necessary to efficiently and effectively drain a portion of the Bodcaw Sand and Vaughn Sand underlying VGN SUA and BOD SUE which cannot be efficiently and effectively produced by any existing well within each such unit;
- 3. To authorize the unit allowable for each unit to be recovered from the unit wells, the alternate unit wells,

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or from any combination thereof, at the discretion of the operator;

- 4. To authorize the downhole or wellbore combination of hydrocarbons from Vaughn Sand and Davis Sand, Reservoir A, of the Cotton Valley Formation, in the wellbore of the Calk No. 1 Well, or in the wellbore of any well drilled in the future on VGN SUA and DAVIS RA SUZ;
- 5. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Bodcaw Sand in the Calhoun Field, Ouachita Parish, Louisiana, was defined in Office of Conservation Order No. 397-H, effective on and after May 1, 1960.

The Vaughn Sand in the Calhoun Field, Lincoln and Ouachita Parishes, Louisiana, was initially in Office of Conservation Order No. 397-L, effective on and after February 1, 1961, and redefined, insofar and only insofar as VGN SUA is concerned in Office of Conservation Order No. 397-L-8, effective on and after April 27, 1999.

The Davis Sand of the Cotton Valley Formation in the Calhoun Field, Ouachita Parish, Louisiana, was initially defined in Office of Conservation Order No. 397-D, effective of and after May 1, 1959, and was redefined as the Davis Sand, Reservoir A, of the Cotton Valley Formation, in Office of Conservation Order No. 397-D-4, effective on and after March 29, 1977.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Ms. Mary Bentley, Seagull Energy E & P Inc., 1001 Fannin Street, Suite 1600, Houston, Texas 77002-6794, telephone number (713) 265-6795.

The drilling and production units designated VGN SUA and DAVIS RA SUZ each comprise all of Section 29, Township 18 North, Range 1 East, Ouachita Parish, Louisiana. The ownership within the two units is consistent and it will be in the interest of conservation

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to allow the downhole or wellbore of hydrocarbons produced from these two units.

The attached list includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search and a copy of this application, with plats attached, is being sent to each such party. Pursuant to Office of Conservation regulations, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Monroe District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed is the application fee for this matter.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY

J/ William Fleming

jwf:s
Enclosures

cc: Mr. Charles McGough, District Manager Interested Owners, Represented Parties and Interested Parties



